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FOR THE SECRETARY FROM AMBASSADOR RIES

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TAGS: PREL PGOV GR CY TU BAKOYANNIS

SUBJECT: SCENESETTER FOR GREEK FOREIGN MINISTER BAKOYANNIS' VISIT TO WASHINGTON

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C O R R E C T E D C O P Y - FIXED INCORRECT PARAGRAPH MARKING

Classified By: Ambassador Charles P. Ries. Reasons 1.4(b/d)

11. (C) SUMMARY: Thank you for agreeing to see Greek Foreign Minister Dora Bakoyannis in Washington on March 23. This will be her first trip to Washington as Foreign Minister since assuming her post on February 15 of this year. Bakoyannis' objective will be to establish her credentials with you as a close partner of the United States. She will undoubtably raise her desire to see Greece admitted to the Visa Waiver Program. Our objective for this meeting is to get Greece to take on more responsibility in Afghanistan and the broader Middle East, as well as play a role in European gas security. We also want Greece to engage more actively in its neighborhood, specifically in support of Kosovo's final status and with Turkey. During her March 23-24 Washington visit, FM Bakoyannis will also see NSA Fran Townsend and DNI John Negroponte, and attend the Greek National Day reception at the White House. END SUMMARY.

NEW FOREIGN MINISTER BRINGS NEW ENERGY TO GOVERNMENT

- 12. (C) FM Bakoyannis ("Dora") takes over the Foreign Ministry at a time when the New Democracy (ND) government, led by PM Karamanlis, is facing a midterm slump at the polls, general strikes against ND's economic policies and an eavesdropping scandal that has prompted a parliamentary investigation and toxic press coverage. Foreign Minister Bakoyannis assumed her post February 15 as a result of the first Cabinet reshuffle since the Government took office in 12004. She joins new ministers of Public Order (Polydoras) and Defense (Meimarakis). The PM retained his (top-notch) economic team. Despite domestic troubles, the Karamanlis government is not in jeopardy, and we believe the new foreign policy team brings with it new energy, and shared goals with
- 13. (C) Born in 1954, Dora Bakoyannis was the first female mayor of Athens (2002-2006), and arguably its most popular mayor ever. Her first husband, parliamentarian Pavlos Bakoyannis, was assassinated by the domestic terrorist organization "17 November" in 1989. Dora owes her headstart in politics to her father, Constantine Mitsotakis, who led the New Democracy party for nine years, and was Prime Minister from 1990-1993. Following ND's electoral defeat in 1993, the party split into two major factions: one led by Dora's father, the other by current PM Karamanlis. For this reason, Bakoyannis has been an outsider in the Karamanlis camp, and is widely seen as Karamanlis' chief rival for political power and a possible future PM. Provided they can

manage their personal and political rivalries, Bakoyannis' legendary energy and desire to shape events will help Greece cut a wider swath in the Balkans, in Brussels and internationally.

- 14. (C) Bakoyannis has made no secret of her intention to work closely with us, and considers herself (as do we) a good friend of the United States. Although without any real diplomatic experience, she could turn out to be "our kind" of diplomat -- energetic, results-oriented, and a polished practitioner in the public diplomacy arena. You will find her to be forceful, engaging and decisive. She also has told me she wants her visit to achieve results, so that she can deploy her own brand of transformational diplomacy in order to change attitudes about America here in Greece.
- 15. (C) The Government of Greece has been bogged down in a phone-tapping scandal since February 2, when government officials confirmed press reports that the cell phones belonging to high-ranking officials, including the Prime Minister, had been tapped by unknown agents from just before the Olympics through March 2005. Opposition parties, scenting a cover-up, have blasted the government for its year-long silence after March 2005 (the government says it was conducting a secret investigation into the phone-tapping). There is widespread belief, and much purported evidence in the press, to the effect that the U.S. is the perpetrator. Karamanlis seems determined not to let this belief impede our bilateral cooperation. Bakoyannis is unlikely to raise this issue with you; we have not commented on the allegations or the ongoing investigation.

ISSUES

TRANSFORMATION IN THE MIDDLE EAST

 $\underline{\mathbf{1}}$ 6. (C) Under former FM Molyviatis, Greece took several ATHENS 00000767 002.2 OF 004

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significant steps to support the Global War on Terrorism and our broader Middle East agenda, including Afghanistan, but there is room to do more:

- -- Greece has an engineering unit in Kabul building roads and schools. Greece also runs security for the Kabul International Airport, and staffs ISAF's most advanced medical unit. This unit is a particularly compelling success story -- having won kudos from SACEUR for its efficiency, and praise from Afghans whom Greek doctors have also treated. Greece should get more credit (and take more credit) for this good news story. Still, Greece plans to, and should, do more. Greek troops are preparing to lead the ISAF HQ battalion in Kabul in 2008 (a deployment that the government should approve formally this May). We are also pushing the Greeks to venture outside Kabul and have hopes they might lead a PRT in Afghanistan. Even if NATO is not currently looking for a lead nation for one of the PRTs in the north of the country (where the relatively reduced threat level matches Greek force protection capabilities and appetite for risk), you can emphasize the importance of making a political commitment to be a full partner in NATO's expanding role in Afghanistan, in Kabul and beyond.
- -- PM Karamanlis is holding to his campaign pledge to keep Greek troops out of Iraq. Greece has, however, worked within this limitation to contribute to Iraq's future as a peaceful, democratic state, by supplying equipment (refitted Russian APCs) and training (of Iraqi security forces in Bulgaria and medical personnel in Greece). You should thank FM Bakoyannis for Greece's efforts, but press her to consider additional important steps such as removing the national caveat that prevents Greek officers on the NATO staff from serving in

NTM-I and to allow the training of Iraqi security forces in Greece. (Greece has a PfP training center in the north that would be ideal for training small groups of Iraqis.)

- -- The Greek Government is keen to contribute to the Roadmap for peace in the Middle East, and has raised here and in Washington how Greece could use its good relations with the Palestinians to reach out to Hamas. We have discouraged their thinking in this direction, as it does not track with our own policy. It would be useful for FM Bakoyannis to hear this message from you, while also giving her a sense of the Quartet's evolving strategy for providing humanitarian support for the Palestinians while isolating Hamas.
- -- Greece has been a staunch ally opposing Iran's nuclear enrichment policy, both as a member of the IAEA Board of Governors and as a non-permanent member of the UNSC. Senior Greek policymakers have been forthcoming, active and available to us at every step of the way from last September's IAEA meeting to the most recent IAEA report to the Security Council. You can keep Greece firmly in our camp by sharing with Bakoyannis our next steps to deal with Iran at the UN.

DEMOCRATIZATION AND DIALOGUE OF CIVILIZATIONS

17. (C) While Greece is a charter member of the BMENA-inspired Foundation for the Future, we have not yet taken advantage of PM Karamanlis' May 2005 offer to the President to host a BMENA ministerial event in Athens. When I briefed Bakoyannis on the idea of using Athens, and its democratic heritage, to foster democratization in the Middle East, she was very positive. For her part, Bakoyannis told me she would raise the possibility of a Greek role in a dialogue of civilizations. She stressed what she considers to be Greece's good record in absorbing the rapid growth in Muslim population (most are Albanians), now equal to ten percent of Greece's population. Bakoyannis wants to use Greece's good understanding of the the Muslim world as a bridge to communities in the Middle East ripe for democratization.

NON-PROLIFERATION

- 18. (C) Greece has been an active partner in the Proliferation Security Initiative, priding itself on its status as a maritime heavyweight and recognizing the security implications therein.
- -- Greece was instrumental in stopping a shipment of materials destined for the Syrian ballistic missile development program, and has been extremely helpful in ensuring that they never reach their intended user. For more than a year, this container has been sitting in a Greek port as Greek judicial authorities pursued possible violations of Greek law. This week, the Foreign Ministry told us informally that the investigation is complete, clearing the

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- C O R R E C T E D C O P Y FIXED INCORRECT PARAGRAPH MARKING way for the diversion of the shipment to the U.S. pursuant to our MLAT request for it. Bakoyiannis may give the formal notification that this is done; otherwise, we are optimistic that the shipment will be on its way back to the United States and thus permanently out of Syrian hands within days of your meeting.
- -- We are close to agreement on a bilateral Shipboarding Agreement, which will establish protocols for U.S. warships to inspect Greek-flagged vessels (Greece controls 25 percent of the world's total maritime commerce -- through management, ownership or flag) that may be transporting WMD or associated materials. We have working-level agreement on a text, but the Foreign Minister needs to take the politically difficult step of selling this deal to Greece's influential shipowning community. You should make clear how much attention we place

on this issue and emphasize the importance of getting an agreement in place as quickly as possible -- before we encounter a situation in which it might be needed.

ENERGY SECURITY

(C) Greece has found itself thrust squarely into the middle of European energy security issues this year, largely as a result of two new regional pipeline ventures. The first is the Turkey-Greece-Italy (TGI) natural gas interconnector pipeline, which aims to bring Caspian gas to the three countries, and beyond to EU markets. The other is the Burgas-Alexandroupoli (BA) Bosporus bypass oil line. Our worry is that a predatory Gazprom will make attractive offers to fill the gas interconnector with Russian gas in order to prevent development of a Caspian gas export route, and that it will link the Bosporus bypass to seal the deal. message on both is that Greece should take decisions on these energy issues based on its (and the EU,s) long-term, energy-security interests. Concretely, that means the GoG should not make decisions that would fill the TGI with Russian (Gazprom) gas, and it should not allow Russia to link the Bosporus bypass decision (where the Greeks dearly want Russian old commitments) to gas issues. You may wish to note that the USG is prepared to help Greece in its analysis of how best to proceed. EUR DAS Matt Bryza is scheduled to visit Greece at the end of March. He is to be proceeded by a team of senior USG energy analysts prepared to brief the Greeks on the full range of Caspian and regional energy issues.

GREECE-TURKEY-CYPRUS

- 110. (C) Greece showed statesmanship and vision last October by supporting the opening of accession talks with Turkey, and Bakoyannis has assured me that she supports Turkey's EU accession. She also seeks to improve Greece's relationship with Turkey. The progress begun by then-FMs Cem and Papandreou has stalled, and Greece remains vexed by sea and airspace disagreements with Turkey. Stung, however, by "Turkish provocations" in the Aegean, Bakoyannis has insisted "Greece needs a sign" from Turkey that it too is committed to the relationship in order to reinvigorate Greek-Turkish talks. She may brief you on her notion that reopening the Halki Seminary (a Greek Orthodox school near Istanbul) would be a much-needed sign of Turkey's western orientation. We believe there is also great scope for Greek-Turkish cooperation in the BMENA context, perhaps through joint activities under the Democracy Assistance Dialogue.
- 111. (C) Cypriot FM Iacovou was the first FM to visit Athens after Bakoyannis took over the MFA. Although Bakoyannis went on record during Iacovou's visit to say that the Annan Plan "was history," she has assured me that Greece continues to support the meat of the Annan Plan -- a bizonal, bicommunal federation. During Cypriot President Papadopoulos' March 7-9 visit, we were dismayed by Papadopoulos' slick handling of the Greeks, leveraging enthusiastic support from his fellow Hellenes for his misleading interpretation of the February 28 Annan-Papadopoulos meeting that laid out a proposal for technical talks. For reasons of domestic political expediency, successive Greek governments have tended not to be willing to weigh in effectively with Nicosia, even when Nicosia hardball tactics affect Greece's broader security interests with Turkey. The Karamanlis government is no exception.
- -- Therefore, we suggest (and Embassies Ankara and Nicosia agree) that, rather than asking Bakoyannis to weigh in now with Papadopoulos, we try the counter-intuitive notion of asking her for help with FM Gul. She might ask Gul to encourage the Turkish Cypriots to participate in the technical talks, and advise Gul to ignore the spin put on the February 28 meeting between Annan and Papadopoulos. If we

could get the Greeks to urge Turkey's support for Turkish-Cypriot participation in technical talks (notwithstanding Papadopoulos' recent stacking of the deck with Annan) it could set up the Greeks to weigh in later with Nicosia should the Cypriots misbehave.

THE BALKANS

112. (C) Bakoyannis' first foreign trip as FM was to the Balkans, sending signals to Sarajevo, Belgrade and Pristina that Greece is sensitive to the developments in, and needs of, the region. Greece wants to play a role in post-settlement Kosovo, particularly in terms of Serb majority areas and protection of religious sites. Greece also shares our view that some form of independence for Kosovo is the likely outcome of ongoing status talks, but Bakoyannis said in Belgrade that she did not favor "constricting timeframes" for those negotiations. She should hear from you (as she has heard from us) that we strongly believe Kosovo's status should be resolved this year, and that an open-ended process will not enhance regional security.

VISA WAIVER PROGRAM

113. (C) I expect Bakoyannis to ask for your support for Greece's entry into the Visa Waiver Program. In my first meeting with her on February 23, she said she "spoke from the heart" to urge the U.S. to admit Greece to the VWP. It was "the one thing," she said, that the U.S. could do to have a major impact on anti-Americanism in Greece. It's true that Greece has recently rolled out a new, state-of-the-art, high-security, biometric passport, and will soon start issuing more secure diplomatic and official passports. We understand all the old passports will be out of circulation by the end of the year. As we understand it, Greece also comfortably meets VWP overstay and visa refusal criteria. Greece is the only Schengen member among VWP aspirants, which seems to be important to Chairman Sensenbrenner. In my meeting with her in February, I told her that DHS had not yet begun to review possible new VWP participants, and that we should work closely together to achieve progress and manage expectations. Ries